



Modern Slavery Statement 2023

Bakkavor

Chief Executive's Introduction

As the UK's leading provider of fresh prepared food, with a growing international presence in the US and China, at Bakkavor we are clear about our responsibilities and the example we must set within our industry.

Our approach to human rights is an essential part of this. Across the Group, we are committed to maintaining the highest standards of employee welfare and safety. In addition, as a resilient supply chain is critical for our business, we are also clear with our suppliers of our expectation and requirements with regards to upholding and safeguarding human rights in the supply chain. As such we work with our supply base to ensure they can meet the standards required.

Our values are core to everything that we do and will never be compatible with any form of modern slavery. That is why we are committed to raising awareness and action on this issue through internal campaigns and ongoing training programmes that enable our people to recognise the indicators of modern slavery and how to report them.

Dedicated teams are specifically tasked with forming and implementing our approach to tackle modern slavery and other important social issues.

Accountability for human rights is critical. Our ESG team includes a Responsible Sourcing Governance group that monitors these topics on a day-to-day basis and at Group Board the ESG Committee has ultimate responsibility for human rights and our wider ESG activities.

Bakkavor is also an active partner of Stronger Together, the multi-stakeholder initiative that aims to tackle modern slavery through training and information sharing and we value their expertise in supporting our benchmarking, training and awareness programmes.

We are proud of the work we have done and continue to do in this area, but we are not complacent and will continue to make sure that Bakkavor is meeting the highest ethical standards for all our stakeholders.

Mike Edwards

CEO, Bakkavor Group plc

27 June 2023

This statement is Bakkavor's latest Modern Slavery Statement and relates to the year ending 31 December 2022. In scope it covers Bakkavor Group plc and relevant group subsidiaries (listed below). Bakkavor Group plc and its subsidiaries are referred to as "Bakkavor" or "the Group" throughout this Statement. In this statement we set out the activities we have undertaken in 2022 to tackle the issue of modern slavery within our own business and down our supply chain.

Bakkavor (London) Limited	Bakkavor Limited
Bakkavor Estates Limited	Bakkavor Holdings Limited
Bakkavor Finance (2) Limited	Bakkavor Foods Limited
Bakkavor Finance Limited	Bakkavor USA Limited
Bakkavor Central Finance Limited	Bakkavor China Limited

OUR BUSINESS AND SUPPLY CHAINS

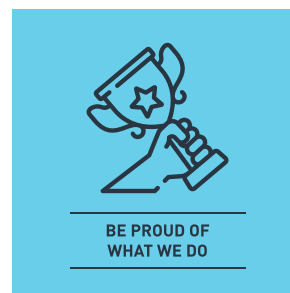
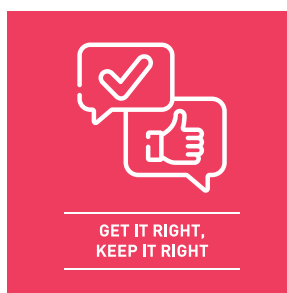
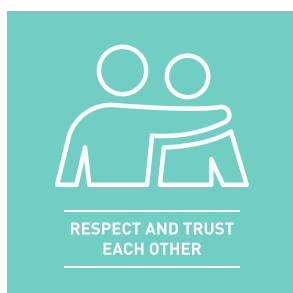
Bakkavor is the UK's leading provider of fresh prepared food with a growing presence in the US and China. We operate from over 45 sites and develop and manufacture over 2,900 different fresh prepared food products. Our sites in the UK include 22 factories, a growing unit, four distribution centres, plus the Group head office in London. In China we have nine factories, a farm plus a regional head office in Shanghai. In the US there are five sites and a regional head office in North Carolina. We employ over 18,500 people and have Group revenue of £2.13 billion.

We source about 11,000 raw materials from over 1,300 suppliers from more than 50 countries – from small farmers to multi-national operators. They, in turn, work with thousands of their own suppliers who grow and move hundreds of raw materials across global supply chains. Underpinning the safety of our products ensures the integrity of this supply chain, all the way from an initial risk assessment through to supply chain mapping.

OUR VALUES

We are proud to be a values-led business. Our vision and purpose are underpinned by these values and are the foundation of our culture.

PROUD TO LIVE OUR VALUES



Our commitment to help end modern slavery reflects our values. In particular, we are committed that our supply chain operations should have a positive impact, creating opportunities for people all over the world.

OUR GROUP ESG STRATEGY

Trusted Partner is our ESG (Environment, Social and Governance) Strategy that guides our progress towards a more sustainable business.

Bakkavor takes its responsibility to build a sustainable business seriously. Our Trusted Partner Strategy is built around three focus areas:



1. **Responsible Sourcing** in our supply chain
2. **Sustainability and Innovation** in our operations
3. **Engagement and Wellbeing** in our workplaces and communities

Our ESG Governance structure includes ethical trade and human rights in our own operations and supply chain and reports into the Group ESG team:



Our dedicated [ESG report](#) contains a detailed overview of our Trusted Partner strategy and the progress we have made against our ESG objectives and activities in 2022.

Trusted Partner Responsible Recruitment and Employment commitments for 2022

- Drive awareness and action on the issue of modern slavery, rolling out campaigns and training so that our colleagues know the indicators and how to report them (ongoing).

New Commitment for 2023

- Work with industry partners to share best knowledge and collaborate on responsible recruitment and employment practices.

Trusted Partner Responsible Sourcing commitments for 2022

- Work collaboratively with suppliers on any breaches of our Code of Conduct to develop and implement a clear and appropriate corrective action plan (UK).
- Empower worker voice and dialogue within our direct supply chain by promoting independent whistleblowing channels and effective grievance reporting mechanisms (UK: 2022, China and US: 2024).

New Commitment for 2023

- Support supply chain engagement within our US and China businesses through our Group Supplier Conduct Policy (2023 and ongoing).

OUR ETHICAL TRADE AND HUMAN RIGHTS GOVERNANCE

Board responsibility for ethical trade and human rights is as set out below:



INTERNAL ETHICAL TRADE TEAM:

The Group Human Rights and Ethical Programme is driven by our internal ethical trade team, formed of a nominated Head of Human Resources, two Senior HR Business Partners and an external ethical trade specialist.

The team's purpose is to ensure that our own operations understand and comply with the required ethical standards, to develop ethical policies and processes, provide training and support, and to develop and agree the Group's ethical trade and modern slavery action plans.



RESPONSIBLE SOURCING GOVERNANCE GROUP

The Responsible Sourcing Governance Group sets the direction on strategy and policies for the Group.

The Responsible Sourcing Action Team implements the strategy and policies and ensures that progress is tracked and managed.

These are valuable forums for building the capacity of the UK businesses to stay informed of emerging threats and ensure the business is well positioned to respond to these.

Responsible Sourcing
Risk assessment - Own operations and supply chain



OTHER RELEVANT POLICIES

The following policies underpin our approach to tackling Modern Slavery in our own business and our supply chain:

- Ethical Trade and Human Rights Policy (Updated in 2022)
- Internal Human Rights and Ethical Trading Policy (Updated in 2022)
- Anti- Bribery and Business Ethics Policy
- Bakkavor Code of Conduct
- Inclusion and Diversity Policy
- Responsible Operations Policy
- Whistleblowing Policy
- Supplier Code of Conduct
- Anti-Money Laundering Policy
- Group Remediation Policy
- Forced Labour Response Plan Policy

RISK ASSESSMENTS AND AUDITS WITHIN OUR OWN OPERATIONS

Our approach to risk assessments and audits remains unchanged, and we constantly assess our own operations, including for potential risks.

HUMAN RIGHTS AND ETHICAL TRADE PROGRAMME

The Bakkavor Human Rights and Ethical Trade Programme brings together all the activities undertaken at group and site level into a common framework:



The programme is reviewed annually and updated as required. In 2022, the focus has been on embedding and operationalising.

The programme identifies our risk assessment and audit activities in our own operations:

- **Internal Ethical Audit Process** – supports our own sites to embed our Human Rights and Ethical Trade Programme. In 2022, seven sites completed this process.
- **SEDEX SAQ & RADAR Risk Rating** – all Bakkavor sites in the UK complete the SAQ and update annually. At the end of 2022, all UK sites had achieved a low-risk rating.
- **SEDEX AB member** – we are an active Buyer/Supplier (AB) member of SEDEX playing a leadership role in SEDEX which includes providing feedback on our experiences of using the platform as well as input into their system development programme.
- **Third Party SMETA Audits** - our own sites complete a third party SMETA audit every 4 years or sooner if required by our customers (most do not require this for low-risk suppliers). In 2022, six sites completed a SMETA audit. We take a zero-tolerance approach to non-compliances, and close them out as soon as possible.
- **Modern Slavery Risk Assessment Process** – this is our Bakkavor specific internal annual risk assessment process and designed to provide each site with a modern slavery risk rating:

Risk Rating	Assessment	Score Range
High Risk	Very likely to have issues of modern slavery	<33%
Medium Risk	Possible there are some issues of modern slavery	33% - 63%
Low Risk	Unlikely to have issues of modern slavery	>67%

Our overall modern slavery risk rating has increased to 63% and we have action plans in place to improve this in 2023.

- **Stronger Together Good Practice Implementation Checklist** – alongside our modern slavery risk assessment process, all sites complete this [checklist](#) on an annual basis. The checklist enables us to measure how well we are delivering our Human Rights and Ethical Trade programme. Bakkavor has worked with [Stronger Together](#) since 2013 and actively supports the development of training, guidance and toolkits.
- **Stronger Together Progress Monitoring Tool** - this is an [online self-assessment](#) that supports companies to measure their progress and to highlight their next steps in addressing modern slavery risks within their businesses and supply chains. This is completed at group level and is one of our key performance indicators. We are pleased to be able to report that we have maintained our overall score of 77%.
- **Stronger Together Business Partner** – evidence is uploaded to publicly demonstrate our commitment to tackling modern slavery. We are pleased to report that we were upgraded to Business Partner Advanced Verified status in 2022.
- **Speak Up Whistleblowing hotline** - Speak Up enables all employees, including agency workers, to raise any potential concerns anonymously and confidentially including those relating to modern slavery. Cases logged in 2022 were investigated thoroughly by site HR colleagues and senior management. Information about the whistleblowing hotline is prominently displayed at all sites. In addition, whistleblowing is monitored by the Group Board at each Group Board meeting.
- **Third Party Labour Provider Annual Audits** – labour providers supplying more than ten workers are required to complete our annual audit. This is be-spoke to Bakkavor and covers a management systems review, financial due diligence check, review against Bakkavor's terms of business, recruitment fee risk assessment, review of grievance procedures and feedback from agency workers. In 2022, we completed our second round of these audits and thirteen labour providers completed this audit.
- **Annual Review** – the second annual review of the Human Rights and Ethical Programme was completed in 2022. This enables us to monitor our progress in addressing and reducing risks of modern slavery and make any necessary updates and changes to our programme.

GROUP MODERN SLAVERY ACTION PLAN 2022

Using the results from the Modern Slavery Risk Assessment and Stronger Together Good Practice checklist and our Annual Review, we developed our third Group Modern Slavery Action Plan:

Actions	Status
1. Internal audit process Continue the internal ethical audit process to verify the Bakkavor Ethical Trade and Human Rights Programme is embedded at each site and share best practice	✓
2. Modern slavery awareness training Run modern slavery awareness training sessions for SEF/TU Representatives, HR and Operations managers to increase their awareness and to become the 'eyes and ears' to identify any potential issues at site level.	✓
3. Effective Remedy Implement a Forced Labour Response Plan policy and Group Remediation policy	✓
4. Responsible Recruitment Self-assess our direct recruitment process against the Responsible Recruitment Toolkit Standards and develop an action plan to make improvements	✓
5. Onsite Contractors Agree the onsite contractors to be covered by the modern slavery risk assessment process. Develop and implement the process.	✓
6. Agency Labour Third Party Audits Finalise the audit methodology and complete the second annual assessment process of all labour providers by the Group's independent qualified labour provider auditors	✓
7. Partnership with external charity/NGOs Carry out a review on potential external charities/NGOs that the Group could link with for additional support on tackling issues of hidden exploitation and Modern Slavery	✓

We are pleased to report that four of our actions have been completed in full and progress has been made on the remaining three. We have plans to complete these three in 2023.

BAKKAVOR SITES TACKLING ISSUES OF MODERN SLAVERY

A key focus for 2022 was the implementation of our Forced Labour Response Plan Policy. Response plan teams were established on each site, consisting of a General Manager, HR Business Partner, First Aider and at least one Modern Slavery Champion. Our Modern Slavery Champions are SEF Representatives but also can be new starter champions, occupational health staff or trainers – anyone that connects with workers and can build trust.

Response plan team members were trained on raising awareness of modern slavery and forced labour and how to report and record cases. We used the [Stronger Together Modern Slavery Champion resources](#) to give sites further support.

We introduced a forced labour alerts flag system that the response teams use to assess the risk level of each incident they identify ranging from 'Serious risk', 'Possible risk' and 'No evidence' of forced labour.

In addition, Stronger Together posters are displayed at all Bakkavor sites to raise awareness of modern slavery.

As an example of an incident identified during 2022, in one of our UK sites an employee overheard a comment at a local event that a landlord was providing accommodation for workers, finding them jobs and keeping their pay. The employee reported this to the site HR team, who ran a check to find out if any employees lived at this address. There were two employees that lived at this address who were interviewed by their manager. Both employees were aware of the indicators of modern slavery and how to raise concerns within the business and confirmed that they had no concerns about their landlord. This was recorded as a green flag as there was no evidence of forced labour.

MODERN SLAVERY RISK WITHIN OUR SUPPLY CHAIN

Bakkavor has a high level of awareness of the risk of Modern Slavery within our supply chain. We recognize our responsibility to inform suppliers of this risk and to work with them to prevent or eliminate all forms of exploitation from their operations and supply chains.

We recognise that modern slavery will not be resolved by any individual business and that greatest impact will be achieved by working pre-competitively with our customers, peers, and suppliers alongside government, enforcement agencies, and civil society. We have a clear focus on creating and supporting the collaborations and institutions to enable this to happen most effectively.

MIGRANT LABOUR

Migrant labour risk continues to be one of the most complex challenges faced by the food industry. The demands of seasonable production within agriculture and manufacturing means there will always be a need for seasonal labour, however the nature of this workforce can make it vulnerable to exploitation.

Bakkavor expects its suppliers to have a clear understanding of the processes, fees and costs associated with migrant labour. This includes fees and costs incurred for migrant worker recruitment at origin, transit (where applicable) from destination countries and any outstanding debts the worker may incur because of the process.

The migrant worker recruitment policy should stipulate clearly what fees and costs shall be borne by workers and the employer respectively as well as the main principles that shall guide the suppliers' recruitment activities and their engagement with registered recruitment agencies, registered sub-agents, 3rd party recruiters or suppliers.

If not already implemented, suppliers should develop a time bound action plan to move to a responsible recruitment model in line with the Employer Pays Principle and the ILO definition on recruitment fees and costs. This should be incorporated alongside adequate controls as part of the recruitment process.

These requirements are clearly documented within Bakkavor Supplier Code of Conduct. Suppliers are asked to report on compliance and engagement takes place to address non-compliance.

SUPPLY CHAIN COLLABORATION

Food Network for Ethical Trade (FNET)

Bakkavor was a founder member of the Food Network for Ethical Trade (FNET), a collaboration set up to promote greater understanding of and an aligned approach to ethical supply chain management within food supply chains. FNET provides expertise, insight, and a safe space where members can work to address shared human rights challenges.

Bakkavor joined the FNET Board in 2022, putting the company in a position to coalesce industry action towards a goal of eliminating modern slavery. The company continues to participate in FNET working groups and chairs the FNET Audit and Risk Committee, ensuring robust organisational governance.

Modern Slavery Intelligence Network (MSIN)

Bakkavor are founding supporters of the Modern Slavery Intelligence Network (MSIN), a non-profit collaboration between supermarkets and large food and fresh produce processors created in response to the findings of Operation Fort, the UK's largest ever Modern Slavery investigation. MSIN have been supported by an independent charity, Stop the Traffic, to provide a secure platform for information and intelligence sharing, expert analysis and guidance on modern slavery prevention and remediation. This enables member to share details of incidents through a secure online platform.

Spanish Ethical Trade Forum

The Spanish Ethical Trade Forum (ETF) was established to create a non-competitive space where Spanish suppliers and their UK based customers can share best practice on human rights and environmental issues and discuss joint challenges and effective ways to resolve these.

ETF membership continues to grow and Bakkavor is an active participant with both Spanish technical colleagues and the UK-based Responsible Sourcing Team engaging in events and activities, online and in-person. Bakkavor delivered the keynote speech at ETF International Event in 2022, reflecting the company's commitment to the organisation.

Ethical Trade Initiative Grievance Mechanisms in Agriculture

Bakkavor is participating in this project that is funded by the UK Government Modern Slavery Innovation Fund to contribute to the UK Modern Slavery Strategy. The purpose is to increase the ability of migrant workers to access appropriate grievance mechanisms within targeted agricultural supply chains in Spain and Italy, and for retailers, suppliers, and producers to improve their approach to preventing modern slavery and enabling decent work.

DIRECT SUPPLIER ENGAGEMENT

In 2022 Bakkavor ran a webinar for suppliers to outline best practice in implementing 'whistleblowing' tools within their business or supply chain. This was supported by a best practice toolbox that provided guidance on different types of grievance mechanisms and their relative suitability for different types of businesses and operating models. The online event was attended by 50 suppliers and received positive feedback.

MODERN SLAVERY TRAINING AND AWARENESS

Bakkavor operational capacity building

We continued to deliver our on-line modular training programme in 2022 to reach more colleagues across the group.

The following sessions took place:

Training Session	Numbers of Sessions
Modern Slavery Response Plan Team	4
Modern Slavery and Hidden Exploitation for SEF and Trade Union Reps	4
Modern Slavery and Hidden Exploitation for HR	2
Modern Slavery and Hidden Exploitation for Operations	4
Bakkavor Ethical Trade and Human Rights Programme for HR	2
Annual Modern Slavery Risk Assessment Process for HR	1
Customers & Human Rights for HR, Commercial, Procurement and Technical	1

Our ethical compliance consultant accesses Stronger Together and other ethical standards resources to ensure we have the most up to date information on tackling the issue of modern slavery and hidden exploitation which were built into our training sessions for 2022.

Stronger Together's 'Tackling modern slavery in UK businesses' course

It is our policy to have at least one HR colleague per site to have attended this [external training course](#). An exercise was completed to assess how many HR colleagues have been trained in the last three years. The result was every site had someone that had received the training but not in the last three years. A plan was agreed to rectify this in 2023.

Effectiveness assessment

To assess the impact of the steps we have taken, key performance indicators are reviewed and reported on in our Modern Slavery statements. These KPIs support the focus on building capacity and awareness across the Group.

Key Performance Indicator	2017	2018	2019	2020	2021	2022
Stronger Together Progress Monitoring Tool		48.6%	55%	65%	77%	77%
Stronger Together Organisational Performance Assessment		43%			77%	77%
% of Bakkavor sites with HR that have completed the Stronger Together training	89%	100%	100%	89%	100%	100%
% of Bakkavor sites completed the Modern Slavery Risk Assessment with an action plan	100%	100%	100%	100%	100%	100%
% of Bakkavor sites completed the Stronger Together Tackling Modern Slavery in Business Implementation Checklist	89%	100%	100%	100%	100%	100%
Number of Bakkavor Group Capacity Building Days	550	469	521	225	2205	693

Key Performance Indicator	2017	2018	2019	2020	2021	2022
% of Bakkavor sites that have completed an agency audit every 12 ¹ months	100%	100%	100%	100%	100%	100%
Number of cases received by the Whistleblowing hotline	105	67	69	51	42	21
% of 2022 Whistleblowing cases closed out	100%	100%	100%	100%	100%	90% ²
Stronger Together Good Practice Implementation Checklist				54%	65%	86%
Modern Slavery Risk Rating					62%	63%

Progress against Stronger Together's 'Tackling Modern Slavery - Good Practice Implementation Checklist'

In 2020, we started using the updated checklist and we are now able to monitor our year-on-year progress.

The checklist has enabled us to measure our activities against the UN Guiding Principles Framework:

Steps	2020	2021	2022
1. COMMIT to tackle modern slavery risk in your business	65%	85%	86%
2. ASSESS - Understand the risks of modern slavery and hidden exploitation within your business	75%	82%	92%
3. ACT - Take action to prevent and deal with identified risks	49%	52%	58%
4. REMEDY - Protect and provide remedy for victims of exploitation	34%	64%	94%
5. MONITOR - Monitor and review progress	66%	81%	80%
6. COMMUNICATE - Tell people what you've done	71%	88%	88%
OVERALL SCORE	54%	65%	72%

We were pleased to see our overall score increased again to 72%. We have action plans in place to drive further improvements in our scores in 2023.



We were upgraded to the Stronger Together Business Partner 'Advanced' status for 2022.

This statement was approved by the Board of Bakkavor Group plc on **27/8 June 2023**.

¹ Change to every 12 months in 2022 with the new Labour Provider Audit Process

² Two cases were outstanding